ON SEIZING THE MEANS OF ~~PRODUCTION~~ VALUATION
a Low-Wage Cashier's Take on Current Economic System

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Abstract

This work critiques both capitalism and state socialism by arguing that the central struggle is not over seizing the means of production but rather over controlling the means of valuation. While workers already materially manage production, they are structurally alienated from defining value, which is instead dictated by speculative markets or state bureaucracies. Value itself is conceptualized psychoanalytically as an ideological construction—mediated by desire, ideology, and symbolic systems—rather than a neutral reflection of material labor.

Capitalism distorts valuation by divorcing it from production, generating artificial scarcity, speculative bubbles, and alienation among workers themselves. State socialism, in attempting to abolish commodity value, merely replaces one incomplete system of mediation with another, often producing even greater violence and inefficiency through bureaucratic control.

As an alternative, the text proposes a new valuation system grounded in material reality—the PIES framework (Production, Infrastructure, Energy-Earth, Social Incompleteness). This system ties currency issuance and decay to measurable outputs, while preserving structural incompleteness to allow for democratic negotiation and local adaptability. Value Exchange Markets (VXMs), decentralized and transparent, would calculate and validate PIES, preventing speculation, rewarding innovation, and incentivizing regenerative practices.

Through this design, value is re-anchored to real production and collective needs without falling into absolutism. By reappropriating valuation itself, workers and producers regain the power to define social meaning and exchange, opening the possibility of "communism through the market."

Main Text:

"Working Men of All Countries, Unite!"

Shouted Marx in his book, as he expected the Great Revolution of the Workers would topple the enemies of the workers: the Bourgeois, as a final synthesis of history itself, as history, according to Marx as he was influenced by Hegel, are a dialectical process of Becoming of the Absolute.

Many of his followers then believe that said revolution would unleash the true power and potential of humanity itself, by unshackling themselves from the chains of tradition, exploitation, and slavery of the Workers under Capitalism. Many of them then wonder where this great revolution would take place? Anyhow, they can't bear the chasm between the Bourgeois and the Proletariat; so to speed this process, workers then should unite and act to hasten this process.

Said movement then later on breed many of revolutions in our history, in which all of them fell under the category of failed revolution. All that failure can be differentiated into two categories. The first, so common, is a failed revolution in seizing the means of production because there's not enough mass to rally against the Capitalists themselves. The first kind is failing to take over the

governance of a country or the ownership of public companies by force. These revolutions are succeeded in being contained by the Bourgeoisie themselves. The failure of the first kind is failure in changing the ruler from the Bourgeois to the Proletariat because of many contingencies against the revolution; losing in terms of mass, information, strategies, and all of that. The latter, is the failure of the proletariat (or the Party) in manifesting socialism itself in practice after a revolt had happened.

After a revolution, there had to be a dictatorate of the Proletariat, in which it would manifest in the next stage of material evolution of humanity. Such a case, then, Vanguardism takes place, in which it would make sure that the spirit of the revolution would always be raging inside a country, so that the True Revolution would come as Marx had predicted. But said True change never come; and worse, the dictatorate of the Proletariat through the Party, turns out to be far more malevolent ruler inside the country, betraying the very spirit of Communism. As such, it is once again upon the Commons alone that they had to pay with their blood and suffering from such failures. The party that had promised liberation, had betrayed the people they rallied as they fought for the injustice that had struck upon them; betraying them more ruthlessly than capitalists, by replacing market with bread lines, and make the farmer starved in their own plentiful farms.

To sanctify the True Leader of their revolution then, and to preserve their religion, the Left deny them by proclaimed: ‘True Socialism had never been put into practice in the first place!’. Said True Revolution would redeem all previously failed Revolutions that had taken casualties for their betrayed ideals. As such, they make another revolution after revolution, without any success in their struggle. Many split off from each other, but tiny fraction of them would only succeed in bringing at least a bearable condition of living under Capitalism from small reformism and all; in which it then outpaced by stark contrast with the evolution of Neoliberal Capitalism in our age, that had revealed its next form of exploitation.

Socialism, remains a ghost and shadow, and it would seems that shadow can never replace what it had coming from in the first place: Capitalism. In this day and age unfortunately, people no longer believes in a ghost. When even the most fervent follower of Marx with all of their class consciousness, still are trapped within the confines of fragmented labour, what is the hope for the common that would ever liberate themselves from all of this alienation?

From all of this then come a simple question: Where did we go wrong? And Why?

WE HAD ALREADY CONTROLLED THE MEANS OF PRODUCTION ALL ALONG

One common mistake from the left at least nowadays is the conception that we necessarily need to seize the means of production to reach communism. Since Capital had reached the power it had today by production, we must then be able to

seize this means of production and change its ownership from bourgeoise to communal property. Since it is upon the production that makes an influence upon something, it is then follows that whoever owns the means of production, they are going to rule. Whoever produce more, they would win. But I would later argue that this wasn't necessarily being the case; as now we are trying to explain.

The Proletariat had always, already in control of the world inside its productive sector, but are structurally barred from owning it; especially by the fact that fragmentation of labor to the point of neoliberal individualism, creates an autonomous self-alienation through psycho-politics. This fragmentation of labour had already make us the De Facto manager of our own productive capabilities in this society. If, according to Marx, because of this Productivity that the capitalists can rule the world in 19th century by the lens that the capitalists were Autonomous while the worker are not; then we are already 'control the world' by autonomously gives majority of our labour that fulfills the demands of the market because of this fragmentation; because more than ever, we have our productive capabilities exceeding the market itself in terms of material production -that is, in contrast with Speculative Value of the Capital, or the surplus value.

The leftists then demand that we ought to own our productive capabilities to ourselves so that the revolution might come, that is, through state-centralization; as production means power, the people then need to outpaces the market by produce more. My question is that, why do they demand that these workers should seize their own productivity and give it in to the state? As we said earlier, we are already autonomous on our own. Who do they think is handling the industry at ground level? Who handles the transport? Who designed and produced guns and whole armory of the capitalists? Who takes care, controls, and lives with the industrial belt in 24 hours, even in the most dire environment that sometimes even results in casualties? It's not bureaucrats or businessmen; it's not Bourgeoisie, but it's always been the Proletariat. Workers already had the latent control (materially) but are structurally barred from wielding it. At any given moment, we can theoretically revolt against the CEO's, and take the production upon ourselves; But then what? Moments later, the rebel had to meet the demand of revolution: redistribution, and to keep up with proletariat's demand, and began some planning of some sort, but soon the Commons realize that they once again, had falls under the mistake of Vanguardism once more. The rebel had become a new CEO, now with a red banner and a star instead of dollar.

What we seek, is not merely a simple 'ownership' in which a property and means of production's belonging to a class is justified in the first place through simple bureaucracy, but rather the revolution to the whole redesign of economic system, that includes justification in which allows ownership on contingent justification, and recognition of our own productive value against fictive valuation. What we should seize instead, is the Means of Valuation.

THE MISSING VARIABLE: THE MEANS OF VALUATION

Let’s take a step back: why production necessarily means power in the first place? Why we produce something? And how ‘ownership’ is justified in the first place?

In 19th century, there’s a booming productivity because of an industrial revolution that makes production of goods and services skyrocketed. This trend of overproduction is then overstimulated by demands of workers, in which they then reallocated in such distressing work environment that oftentimes resulted in casualties; but are overshadowed by the amount of progress they experience.

To Marx, because of this extreme exploitation of the workers by the bourgeoise, there’ll be a dialectic in which, a new synthesis would born out of these conflicts. He also argued that because of this power of production, the Bourgeoise can handle themselves with alienation and oppression of the worker. Because he is a materialist, he excludes the non-material variable of a production, that is, the value itself. According to him, it is absurd that, in the realm of material world, a value of something can fluctuate without a reason; and since the material world only consists on something material, it is then declared that the surplus value in which exists in fluctuations of goods and services, were actually what the material resources of the worker that had been sucked off from them. Since it is impossible for a value to come from non-material variable, it must be the case that the source of fluctuations of value comes from the labour excess of the workers: and thus, The Labor Theory of Value, in which it had become the basis of Marxist criticism of Capitalism, in which he accused the Capital as having power over the worker on the basis of ownership of the means of production itself.

At the lens of industrial era, it made sense because of the whole conception of rationality and empirical thoughts: the Enlightenment, is all about the demystification of thought into tangible realities. The value of something must necessarily equals to the functionality and scarcity of a products, so the whole economy, therefore, is all about production of real goods to increase the value of the capital. It is unthinkable at that time, that there could be a variable that has the same -or even more power than the tangible reality itself, that is, the conception of said reality: Ideology and conception of Value itself.

We no longer need to seize the means of production. We already are the producers. What is missing is our control over how value is defined, distributed, and legitimized.

WHAT IS VALUE?

By Value I mean that, the target of desire; the thing that justify an ownership and/or power of a subject to another subject, that which allows it to be considered legitimate among the society; that which also agreed upon on the basis of the whole ideology of said society. Value, is a power that is desired by a

subject to express their desire in its manifestation, to satiate their inner drives for completion. If I use the word of Lacan, it is the ‘Object petit a’, that drives the subject to want something, and thus driving them to reach it with their own resources.

THE NATURE OF VALUE AND DESIRE

To remind the classical economists who dogmatically believe in the neutrality of value as subjective, There’s a clear difference between desire, value an-sich, value that is perceived by the subject, and mode of valuation itself.

Desire, is what drives man to value things. The desire is desire for the sake of desire, and desire of a subject, is always the desire of the others. What do this mean? Desire, is a drive of the subject so that he can desire things. We always want something, but the target of desire is something else. Desire are not always pure, as although it is the drive of why people want and act upon, it is mediated by their ideological preconception of reality.

Value an-sich, or the Pure Object that carries the true value of said object, is barred from the subject because of their pre-conceived ideology. Not to be confused with Subjective Valuation, or value that had been assigned unto a product from the desiring subject; this is the Real of a good or services. In Kantian sense, it is the Noumenal Realm of the object that carries a placeholder for all register in which it is remains unknown. To give it an analogy, the Pure Object is an object inside a black box. An object cannot be recognized unless we spot a light on said object, in which then that light bounces off from that object unto the eyes of the Subject. The light, in this case, reveal the value of the object on the eyes of the beholder; but it is never pure, as we can only perceive a visible spectrum of light, and that the glass of our flashlight can carry another colour that barred the subject from experiencing the true nature of said object; but without this very light that had barred us from understanding its true value, we can never register it into our mind, so we are always trapped in this phenomenal realm of an object; we can never step outside the symbolic, because it is only through the symbolic that we can register something.

Now, is there a such thing of a ‘true value of an object?’, I reply: there are, but they cannot be experienced in their purest form; they are always seen through the lens of ideology. They can only exists as a lack in which, necessarily excluded for an empty space to be created in the first place, which then the subject fills with their own ideology. When one looks at an object, they don’t register all of their properties and inner mechanism inside their own mind, but they exclude these object to create a copy inside their mind in the form that one can handle. One simply cannot understand the ‘true’ value of things, because to understand value in the first place, you need a mind unbounded with correlation to the said object; but we human simply bounded by language and brain itself. One can only understand value from things they can understand, and this understanding is partial. Either through ideology, religion, logical axioms, and even personal

attachment. A loaf of bread has a “real value” (its nutritional content, labor, ecological relations, etc), but this cannot be fully grasped or exchanged as-is, because we would need a perfect understanding of reality itself to grasp the real value of a loaf of bread.

Take for example: why is something considered valuable in the first place? Because of need? Or speculation? Even a farmer that harvests its own grain themselves are already barred from conceiving their own harvest by placing a value that he conceived is rational, according to him. This rationality, is ideological. Suppose the farmer is religious, he would sell this grain for a small value, because true value is in the eyes of their creator; suppose the farmer is a materialist, he would only counts the temporal, resources, and labour value of his own, without considering the subjective nature of the market can easily devalue his grain. All on all, there’s need to be an exclusion for a value to be created in the first place. To put a price over something, is to exclude the possibilities that the value of said object can be something else; how about the transport? How the weather affects the labour? How is the quality of the ground that being planted? How about the value before the seeds reach the Farmer? the transportation that can sent the seeds to the farmer, that can possibly cost their own lives from using a warzone territory? If meaning is deferred, I would say that Value, is also always been deferred from its conception, that made it never been pure in its expression from the subject; tainted by ideology of a subject for the sake of its registration. As meaning is deferred, so does value.

But it doesn’t mean that as meaning is deferred, there are no meaning; just because value is deferred, it doesn’t mean that there is no value. The Real, in this case which remains barred, is a necessary irritant; the negative aspect of the symbolic, that had necessitated the creation of its register in the first place by the means of exclusion. Take for example, a scientist making an observation journal about a Flower; no matter how exceptional their works are, it cannot be the case that their work itself is the Flower. Rather, what he had just written down, is merely a partial reflection of the observed: the flower. In this case, the scientist just turns an object that is barred, the irritant that had been observed by the scientist, the noumenal, into the object-as-register, in which the scientist -as a system- began to construct the idea of flower in his mind, while letting this simulation of flower inside his mind shaped by his observation of the Real/Irritant that is the actual, observed Flower. When a subject observes or to describe something, it was never about the actual object of that had been described, but the construct of simulation of said object from the eyes of the observer. As such, the Value, through psychoanalytic lens on economy, is differentiated between the Real of the object, and the perceived value by the subject. Value, although have existence on its own, cannot be fully experienced, as our experience necessarily excludes the real object into a register inside our mind, so that we can experience it as a subjective phenomenon in the first place. The Real of the observed is necessarily excluded and were reduced into function for it able to be processed by an observer into its own simulation.

Now, the Subjective Value, is another thing for Value-an sich. A subjective value is, as its name, subjective in itself, as it is come down from the perception of each subject. It is what had been perceived by the subject as valuable in the first place, based on their lens that is ideologically constructed. Why I say 'Ideology', is because that there are no such thing as 'an experience of a subject that is beyond the symbolic', or at least it is impossible to be translated into the realm of the symbolic. A registration of a value by the subject, is always had been mediated by the symbolic. As such, every Subjective Value, is ideologically conceived by the subject.

Now, if a subject can only conceive the value of something through mediation of Ideology, where that Ideology coming from? Precisely speaking: what is the function of Ideology in the terms of valuation? We would call this ideological glass, The Means of Valuation.

THE MODE OF VALUATION

The Mode of Valuation is a societal construct: you make the estimation of what is a thing worth by virtue of judgement, that is, always ideologically bounded. The mode of valuation is a grammar in which valuation system in general dictate which is valuable and what it worthless.

Subjective value comes from manifestation of desire of an object through the means of valuation: the glass which make you see things or not. The Mode in which you experience the value. You see an object because the light that had been bounced off from that object, falls under your retina; but this eye can only see through a glass of ideology, and this glass is conditioned by society. To be precise, the glass is construction of an ideology. A subject views value through their own ideological construct. A wine, although carrying a significant amount of production process, can be seen as a trash in the eyes of a zealous Muslim. A materialist builder, would never be able to conceive why the value of a digital Image of a monkey can worth more inside the Neoliberal societies even without having a productive value, more than the house he had built by numerous workers. A Speculators would view a year of harvest as having less value than an NFT image. This glass, is ideologically constructed and are never pure, i.e. you can never perceive the value of an object in its pure form without ideology, because ideology is the thing which allows you to see reality in the first place.

In this case, the Mode of Valuation is an ideology of which, structurally dictate what is worthless or priceless; what can be sacrificed and what must be held; they even structurally dictate which kind of people would starve and which would grow. Capitalism, for example, would makes the one who manipulates prices the best the winner; State Socialism would make the one who obey state's ideology and loyal to the party wins; even theoretically inside an immature Anarchy where all form of valuation and commodification is erased, the gift economy would simply create another alienation through hidden interest that is more opaque, whether nepotism or connection, or all things imaginable. This mode of Valuation is conditioned or

strengthened by the Means of valuation: that is, the institutional design of the whole economy, like speculative market and so.

So there's a subject desiring value, the real value itself that is always barred, subjective value that has always been perceived by the subject; and the means of valuation in which allows the subject to experience value through their ideological construct. From this simple premise, even a layperson can derive that there is a Contradiction between the mode of valuation of the real producers and market speculators. There's a conflict of which is being valued more, and for whom from the existing means of valuation, that the system prefer towards? Desire, as a driver, can be redirected and manipulated by this mode of valuation; in which the desire is then manifested into the attainment of a commodity through value from said ideology. As such, it can be the case that a single NFT of an image of Potato can worth more than a year of grain harvests that meets the biological demand of a city; even without productive functionalities whatsoever.

By this proposition, some of the dogmatic economists, by declaring value as subjective and thus, neutral, and cannot be regulated, does not erase the fact that ideology itself is a construct. It's like looking at the difference between a Nazi society and American society, and then declare: "well, political ideology is subjective so it is neutral, and we must stay out of it and only measure the aftermath of it: the casualties and all, without considering the root of the problem. An ideology, by nature of its subjectivity, is neutral after all." Such is the argument of many of the economic theorists that had plagues our society. From a conception that value is neutral, the derivatives from such is that, it can be the case that a literal banana strapped on wall of an art gallery is more valuable than the harvests that had actually sustains the city's population, despite the latter carries a more potential to save life and etc.

HOW DESIRE OF VALUE ARE DIRECTED ON AN IDEOLOGICAL CONSTRUCT

We desire value; in this case, Desire is the inner drive within human, and Value is a placeholder for that desire to manifests. Value, in this case, are what to be constructed for value to be able to be experienced by the subject. As such, mode of value is an ideological construct that alienate, yet necessarily exists for the sake of satiating desire itself.

The Means of Valuation, is an economical apparatus in which, necessarily created or co-constituted by ide very ideology itself by the stronger class or the whole society to maintain order from which desire is satiated through assignment of what is valuable or not, that is the Mode of valuation. The economic system in this case, make an operational closure of valuable and not valuable, in which what counts as valuable are varied from one society to another, or from time to time. They are then conditioned within the economic environment of said system, whether through state bureaucracy of socialism, or capitalistic financial market. It is an apparatus to strengthen a fiction that don't reflect the true value of things, but rather a projection of a subject from an ideological construct into an object,

that is taken as such, to maintains the order of said society. As a Means therefore, this economic apparatus can write out its reality according to what the subject wants it. This is how a value can occurs on an object that has no material productive value overall: like something as absurd as an overpriced tiny slice of a peanut in a high-end restaurant, is costs a poor man's fortune for ages; undervaluing the 'more real' mode of production such as farming and building that actually sustains a real biological and societal needs.

This is why Zizek through Lacan said: the Desire, is always the Desire of the Others. In this case, the Desire of a value in which had been expressed by a subject, is never desire of its own host, but rather the desire that had been written out by society itself that is imposed upon, and are already conditioned into the subject's ideological construct. The expression of desire of a subject, is already conditioned by symbolic order of the society itself.

THE VIOLENCE OF FLOATING MEANS OF VALUATION
A CRITIQUE OF CAPITALISM

When value are divorced from real production, the production would necessarily overstimulated by the demand of accumulated of value that represents no material surplus of production, and then choked by its limited resources. Demands does exists, but this increase of demand reflected by valuation system doesn't reflect the availability of the supply, but rather its own sector of speculative values, thus divorcing both sector from each. Divorce between value sector and production sector would necessarily results in the overabundance of meaningless value in which the production sector would needlessly needs to keep up it pace with, thus creating an absurd mode of production.

There is more money available, but neither the warehouse, the welfare of its workers, and the means of production, is growing for the society to experience despite abundance of demand. Rather, both the grains inside, and the cost of maintaining this very warehouse is getting more and more expensive over time to keep up with value. One class that profited from this speculation market, had taken the right of another class which had produced more than they can keep up by their own hand. When value is not met with equal production, the production got choked by demands because it getting less valuable to maintain.

Upon that, to meet the demand of excess value—conjured out of speculation rather than need—the production sector is forced into overdrive, chasing ghosts that produce no real surplus, a variable from production sector would either one: increase its own value, thus alienating more of the general populace, by stripping them off from their ability to purchase daily necessities, alienating goods that once that had been abundant from the society, into a commodity exclusive only for the speculative, wealthy class; or two, abandon real production entirely and transform itself into another player in the valuation sector, playing speculative market and thus, making artificial scarcity even more rampant among the populace, alienating them even more.

The violence of valuation is manifested, in the fact that a productive capability that can save millions of lives because of an actual biological necessity, are to be negated simply because of a meaningless number by the speculators in the monitor. The hitherto mode of valuation in this case, is like that of a cancer cell that send a signal to their hosts to demand their limited supply/resources only to enlarge themselves, cutting off a real need of another healthy cell, and thus punishing the body that had supply itself in the first place if the body ever die. Now, from this perspective, to declare that the mode of valuation is neutral is a hubris in itself. Especially when all this absurd production are necessitated by the meaningless values comes crashing down; when the bubble crash because of 'speculative mistake', who is paying for it? It's the Commons that worked for nothing, demanded by meaningless value, while the uppers got bailouts for messing with their productivity by valuing them as nothing. We had worked for meaningless value, with meaningless demand, and still get punished for it; saying that: we are no productive enough! To hell with those who earn without sweat and scorn the very workers who sustain the economy! We are the one who gives these people food and electricity in the first place! This undervaluation of the workers are the most perverse subjugation of the upper elites in its current form; in which I personally baffled by how blind are the leftists in 21st century in reacting to these by saying: we ought to seize the means of production! In which I would reply: We had already autonomous in neoliberal capitalists system.

Another manifestation of this malevolence is that on the fact the overproduction of commodities left the populace with a stark contrast of the reality of scarcity itself and the real production of goods. The production from pastry, for example; to heighten the value of a product, the goods that are still consumable are to be expunged and not to be shared with those who are in need in society. How much energy and resources that had been redirected into production of the consumables, for it to be thrown away with a strange rule that 'It cannot be consumed because it would become less valuable'. The strange contrast of abundance of goods that is thrown away in the eyes of the homeless to make an artificial scarcity possible, is absurd. If then Marx thought that production equals power, now production is less than valuable! it must be thrown away into a trash bin for the sake of maintaining value. The value of production become a negative. How on earth, that value of real production that costs everything to make, and can fulfil the biological necessity of the needy, are having a Negative Value in contrast with a real utility of a production!? If this was the case for one sector that is a doughnut pastry, then how much we can actually sustain yet consciously throw away for the sake of maintaining value itself!? Those who says that it is rational would have to go into a mental ward for annual checking of their sanity. There are much cases of overproduction being overlook for the sake of maintaining an artificial scarcity that enslaves the populace because of flawed valuation system.

This design of artificial scarcity, above the exploitation of the producers and workers to meet the absurd demand by meaningless value, oftentimes causes an infighting among the workers themselves. Workers are drained of energy and pushed

to produce ever more, primarily to satisfy the demands of higher social classes. This dynamic forces workers to give far beyond what they should owe, but it also strains solidarity among workers themselves.

An example of this fragmentation is the tension that arises when one worker takes a sick day. In such cases, the absent worker's tasks fall onto the shoulders of their colleagues, adding to an already excessive workload and deepening fatigue. This situation generates antagonism among workers—even when the absence is due to natural sickness, beyond anyone's control.

If antagonism arises from unavoidable absences such as illness, what can be expected when workers take time off for positive life events—weddings, family reunions, or important personal occasions? This subtle yet persistent antagonism reflects a deeper difficulty in organizing workers. The narrative of class antagonism is fragmented and redirected inward, pitting workers against each other instead of uniting them against systemic exploitation.

I have felt this firsthand, working in a retail store from 7 AM to 5 PM, then returning for a second shift from 5 PM to 10 PM because my other co-worker got sick and took a day off. There is an unconscious urge to resent those who 'escape' their shared burdens—even when their reasons are justified, and even when I empathize with them in different circumstances.

This alienation, therefore, deepens as workers become estranged not only from the system but also from each other, weakening the very class solidarity needed to resist exploitation. The irony is even sharper when directed at workers who hold strikes against the very companies that exploit us. In this view, those who strike are labeled parasites—accused of doing less than their share to lessen the burden, instead of recognizing strikes as collective resistance.

There's also the case in Indonesia, where a mother that is poor, forced to be humiliated at the front yard of a supermarket, as she was caught on stealing for her baby's need. The product she stole, of cource, a daily necessities. Despite how many supply that the supermarket has, the product for the infant is overpriced in there; so things like this might not happens once or twice, but on several occasion. The one who berated the mother, of course, is a female worker themselves, that cries 'my wage is already low! Do you know how much the costs I have to cover for missing products!?'. Such is the daily contradiction that the Commons going through everyday on their lives.

When production becomes less than valuable, and waste more profitable than feeding the hungry, we are no longer dealing with a malfunction—but with a system designed to crush necessity under the weight of speculation. We now can see clearly the violence of valuation than the violence of hunger. It is not production that chains us now, but the fiction of value that floats above it like a tyrant

To mitigate these problems, the leftists propose a solution which is: State Socialism.

IMPOSSIBILITY OF ABOLITION OF VALUE
CRITIQUE OF STATE SOCIALISM

Another thing about Marx is that he wanted to abolish the means of valuation. Since profit is theft, it must be negated into higher form of sublation, so that there are no more contradiction within economic system. To be precise, he wanted to abolish the commodity into use value, so that there are direct connection between worker and their production itself through mediation of the state.

However, I would argue that abolition of Commodity-form is impossible. Value, in itself, the Noumena of things, cannot be experienced in its purest form: even socialist government, although the claim to have get rid of Commodity-form, they had replaced it with Bureaucratic-form or some representational value to convey value, without directly transferring it; just like how Language always defer meaning, refer to reality, and are incomplete.

Just as language defers meaning through endless signification, economic systems must defer value through symbolic proxies—whether money or state metrics. Value, like the Real, is never directly experienced. The attempt to abolish the commodity-form only results in its return under a different signifier; in this case, it oftentimes reoccurs in more opaque and alienating form of valuation, through hidden nepotism, secret hierarchy, and so on.

We can’t experience value at it purest form, and are cognitively bounded by ideology therein. At some point when we try to abolish the means of valuation, it would come back in another form of symbolic order. In the case of Socialism and Capitalism, the latter use ‘market’ while the other use the language of ‘the state/the party’. Even if we take onto the system of anarchy, a form of mediation still occurs in the means of minimal bureaucracy or gift economy that is necessarily alienate the true value of things; or even barter between two parties necessitate the alienation of true value because of contextual needs from 2 parties; either cultural, biological, societal, spiritual, or any other things. Thus, the Means of Valuation cannot be erased: because it is the means in which we were able to experience value in the first place.

In the case of hitherto economic system, it is self-referential, by which mean that money tends to refer to its own value instead of contingent upon something else; and production sector is simply structurally coupled by this floating valuation system. Value told you what is good and what is worthless, and production simply obeys rather than the former reflecting the supply and demand of the latter sector.

In the case of socialists state, however, these bureaucracy-form, are more convoluted than that of its negation, that is, capitalism. In capitalism, although it is still being manipulated with value that refer to itself and thus floats

freely without anchor, the subjective value are not directly demanded by top-down hierarchy, but are agreed upon in society. There are still a sense of negotiation inside the market of the capitalist, that is absent in the Socialism.

In this case, socialist bureaucrats, still on the idea that value is neutral, got a double errors as in, one: making the negotiation of value irrelevant, and two, bureaucratic inefficiencies instead of mobility of free market. The Politicians assume that they know better of a value of a grain rather than those who had get their dirt on their hand, had taken the violence of the Capitalist in a whole another level of malevolence. The price is fixed; there are no room for dissent. A farmer can starve and die in their own plentiful farm, and these perverse socialists calls it 'justice' by their own standard. Thus, we can see how the state socialists project on 20th century are basically are starvation upon starvation; and there had been a several case of corruption among the bureaucrats themselves.

Their rallying cry: "seize the means of production", is cry not of the proletariat but the bourgeoise dressed in a red flag bureaucrat, using the language of populist rhetoric, to seize the means of production of the worker to the state, and then enslaving them with the same -or maybe worse absurdities of an economic system.

Their malevolence is not only on the terms of economic, but also material violence as we've seen in consciously planned mass starvation is Soviet, or purges of intellectuals by the state in repressive countries in Polpot's Regime, or maybe Lysenkoism in the USSR. The worst thing about these absolutists, is that their almost spiritual zeal is blinding them from actually manifesting a socialism, and would take an extreme amount of action to implement socialism in the way they thought it is the only right way: that is, forced redistribution and confiscation of means of production from actual worker, and fixed price by the state.

This is why there are the case of defects from a socialist country would prefer living in capitalist country, and may even promote capitalism above state socialism; because at least there's negotiation of value inside the capitalist society which is absent in its former.

The cry to 'seize the means of production' is no longer revolutionary—it is bureaucratic. Workers already sustain the factories, the grids, the farms. What they lack is not control of production, but the right to decide what counts as value. Without seizing valuation itself, every revolution simply installs a new CEO draped in a red banner.

CREATING A NEW FICTION
REDEFINITION OF VALUE

As we had discussed before, all of these problems were exist because of the floating signifiers of value that is detached from a real production sector. Since there's an accumulated value that is unbounded by real production, production

simply got overwhelmed and thus creating all sort of problem: especially, an alienation between worker and its own products and services because of the lack of necessary feedback from valuation sector.

To put it into cybernetic terms: a regulatory system must be at least as complex as the environment it regulates; otherwise, it will collapse under pressures it cannot match. The variety from Valuation sector must be able to handle the Variety from Production sector, for both be able to grows in healthy condition. Capitalism and State Socialism had failed this test because the variety from Valuation sector is far too little for it to properly handle the complexity of different Production sector, thus even though there are abundance, the valuation sector would create an artificial scarcity to propagate itself. The Valuation sector then cannot give the production sector necessary signal (what to produce, what is needed, etc), and thus both system suffers until its climax happens at economic bubble crash, or state-socialists bread lines, etc.

Now, a re-examination. If then:

1. The true value of an object remains barred because our ideological lens, yet that fiction are necessary for us to be able to register said value in the first place;
2. That the problem with the Capitalists is a fictitious capital that had estranged workers from their just value;
3. That the problem with the Socialists is that the abolition of commodity or means of valuation is impossible, and that the absoluteness of the state upon dictum of value risks creating a more malevolent form of valuation;
4. That there are no possible exits from a system, because of the nature of human itself, which is a system that simply alienates the Real to experience value;

Then the only option left is for us to create another fiction that at least ground these means of valuation into what had been produced in the real time; that is, a valuation system that are bounded by material reality and are structurally incomplete in its form to keep the negotiation and dissent possible so that there are freedom in valuation that remains bounded by shared reality of production. From this point, I would imagine a four pillar of valuation, in which issuance of money or value should remains bounded by these limits. These are: Production, Infrastructure, Energy/Earth, and Social Incompleteness.

These would become a new referent, in which all monetary system can opt to back their currencies with: a dynamic post-scarcity gold standard, in which reflect real material progress of ours.

We hope that, by tying 2 sector in such a way, it would gives valuation sector its own ceiling appropriate to the real material capacity of production, in which it would necessarily dissolves the chaos and absurdity in our current economic system. We hope to structurally couple these 2 different sector: Valuation and Production, so each would have their feedback properly met by others.

PRODUCTION

It should be the case that the addition of new value in a society represents a real surplus in production itself; or surplus in any way that affects the mode of production itself. If then there are an excess value that are beyond the output of real production of goods and services, these value should be negated and decayed. The only way to accumulate value then, is an investment and not accumulation of value that is detached from a real production sector. an addition of value of production, can be made with transformation of raw material into another state of production that has more utility value than before. Addition of value must also equal to addition to production itself; with the price that are backed by the labour and resources necessary for goods/services to be served. The more someone wants to extract profit by heightening its price beyond what its costs of production are, the more that of the excess profit should be decayed. Profit are still exists, but the more you take, the more that it would decay from the starting point of the cost of the production.

INFRASTRUCTURE

To incentivize the populace so that they invest on infrastructure, it should be the case that a surplus value also represents an improvement and/or addition to a real infrastructure of economy itself, so that the means of circulatory system of economy are remains unharmed and are improved upon; that is, by limiting the risk of harm caused by overproduction that can affects the whole infrastructure of the economy itself.

ENERGY/EARTH

To limit and incentivize the populace so that they invest on creation of renewables, it should be the case that a surplus value also represents an improvement and/or addition to a real surplus of production of energy, so that the resources of the populace are not to be mercilessly exploited by production itself. A harm or inefficiency in producing goods/services that results in a negative surplus of energy or the environment should then affect the overall value of said produced itself; and conversely, the more a producer innovate to create a more efficient mode of production that respect the energy, the more valuable the output should be. Populace then, are incentivized to either invest in energy sector to preserve their value, or by buying a slightly more expensive goods/services using a more ethical use of energy, creating a healthy economy that respect nature.

Energy capacity should be a limit within local. Each production that borrows energy is translated to appropriate costs of production of goods. If within pools of producers one produce unsustainably, in which it results in consumption of energy above the limit (coal burning and all, electricity), then it got punished appropriately via decay or redistribution. To make profit out of it, you either

heighten the ceiling by building new renewable power grid, invest in ecological restoration (eg. tress planting that would make a regenerative, timely profit from its first planting until its maturation) or renewables, or that you find a way to produce using less, thus heightening your profit.

The same logic should then be applied on space itself: the land, water, and air of the earth. Any loss from use of limited resources should be made proportionate to what it had produce after. Those who buy the a hectare of land should be able to at least give back the same land value in proportion to each cycle through tax, else the ownership would decays.

SOCIAL INCOMPLETENESS

The most important aspect of this new fiction is that: the value of things should never be absolute and are able to be debated in every locals like how a market usually should be. It should be upon the nodes of every locals that decides what is count as productive, and what kind of regulation should there be in each local; each were bounded by material constraint of real economic resources and surplus. Ideally, there can be no speculative market or interest on any system, and every issuance of new money should be that they reflect the real economic surplus that had been agreed upon by the local. But since value itself cannot be purified, valuation then must be designed as speculation and profit itself serve the real economy instead of its own; that is, by making the unbacked money itself decays proportionally in what it refers to (PIES). The more money are created, the more it has decay rate, and vice versa.

It cannot be the case that this variable become absolute, as it is upon the incompleteness of Socialism itself, that democracy should arise within the market itself, to decide the real outcome of each economic activities. A price then, maybe relevant in one region and then changes in other region in accordance to each needs.

That being said, Investment of social needs should then made profitable as increase of quality of labour should reflect the increase the productivity in PIE variables. Any form of investment on social, then can also be valuable: art, education, medical care, etc.

THE STRUCTURE OF THE NEW ECONOMIC SYSTEM

VALUE EXCHANGE MARKET

Every local should contain a Value Exchange Market (VXM): a market that is, instead of calculating speculative finance, are instead calculating a real input-output of all aggregate PIES into new one scheme, that it then were used to issue money accordingly. VXM, are also a market which, according to the input from Social Incompleteness, decide the value of things and thus issue money accordingly. The data that were processed should be open-source, and they were several VXM, that is acting like a blockchain technology, that cross check each other input and output to prevents manipulation.

There’s a local nodes, that calculates and cross check each other input according to each and itself (Social Input). From these decentralized nodes, the sum of all calculation then were harmonized into the Central VXM, which get all of it data from all local nodes into one big calculation, that is then issue money from according to available data.

If the circulation of Money are exceeding available PIES, then the excess money are to be devalued or decayed unless it is reinvested into economy again. If circulation of Money are bellow the calculation of PIES, new issuance of money follows accordingly through reinvestment to each local; especially into the nodes that produce said excess PIES, which are then reinvested back into the local.

GUILDS AND LOCAL

For every production there is, there should be a representative that propose a value of said output from a production of goods and services. With it, Guilds or associations may be able to be an option to represent each sector accordingly. It can also be the case that an individual member and/or company should represent itself in the VXM, which then proposes a value of all aggregate products that is counted into PIES variable.

Guilds is voluntarily being made by the locals though; and it can be the case that a company just represent itself. Guilds can restructure itself, dissolve, or broken up as they will.

THE ISSUANCE OF MONEY

All issuance of money should be contingent upon what it had reflect in PIES variable; any excess of money should decay, and any deficit of money in accordance to PIES should prompt an issuance of new money. It would not be enforced externally, but structurally. The issuer then might print slightly more money that is more volatile in its decay to run the economy, or that they would print the exact amount of money in accordance to PIES, both of which is allowed, as long as the formula remains: The Higher money in circulation is compared to its PIES, the more it rapidly decays, and vice versa.

The issuance of money can be taken in any form: whether centralized or local. In this case, it is recommended for each local to issue their own money in accordance to their own PIES value. This would results in competition between locals in which it foster innovation within different geographical landscape and environment. Each locals then have different dialects, but are all tied to the same protocol as PIES. It would also increases durability of the whole system, because different issuance would means different ways in which a local may or may not follows the system that has been originated from themselves, yet becomes corrupt. This would provides a healthy forkability system in which local may build their own station of VXM and Issuers, in which they are all still tied to global federated PIES system if they ever choose to.

This would also provides a chance for the whole systemic evolutionary progress by pruning the system itself; through forkability and observation of cheating mechanism, one could learn better to become a better, more durable system.

Contingency

Each VXM or locals can regulate itself freely in accordance to their needs, while retaining the PIES valuation. Each nodes contains its own 'version', and the best version (the most stable version) of them (in their background regulation of Social Incompleteness) became a kind of default template of a new node, without dictating others.

Contingency should also made possible, as the price of goods and services of all nodes are made to be transparent, so that each local can judge the price of a goods in their own region. Should Guilds Collude to Inflate Prices: VXM checks cross-guild PIES data; Decentralized nodes detect pattern mismatches; Other Guilds or Locals can challenge false scarcity; Locals penalize producers who misreport infrastructure usage or fake shortages.

Should there any corrupt local, guilds, or corrupt VXM emerge, the buyers would simply change their allegiance to other local or nodes, thus making it redundant. If there is a cluster of nodes cheating, then it is being made redundant by the people themselves, by changing their VXM into other local, and the corrupt scheme are made into the digital log for future contingencies.

Should there's any unfair monopoly, a Guild corners the market on copper and withholds supply to drive up price; Surplus of ownership without delivery would triggers decay. Other nodes can issue a challenge and call for dissolution or open competition. VXM does not reward scarcity for its own sake, only justified scarcity (natural limitation or innovation bottleneck).

Should a Guild claims it produced 1000 units but only delivered 400. VXM includes delivery records and downstream consumer logs; Open data tracked by blockchain-like VXM ledger; If delivery is unverifiable, VXM invalidates surplus value, and make their money decays.

Should a Guild claims access to power plants or ports it doesn't control: Locals validate infrastructure use and social inputs; Infrastructure claims cross-checked by public logs and local consensus; if there are false claims, Guild is then blacklisted. Property and energy must be externally validated.

Should A Guild bribes or takes over Local decision-making to validate unjustified property; Local nodes can be audited by other Locals or VXM. Locals must maintain transparency on justification data. If a Local is consistently biased, other guilds/layers can escalate to Central VXM protocol vote or fork. Rotating validators, Decentralized witness nodes, and Public logs of decisions, should heighten the security from manipulation.

Should a firm buys land or infrastructure and does nothing with it, hoping it appreciates: Property rights are contingent, not absolute. VXM tracks use-based justification. Should there an Unused property, Value would decays and can be reclaimed or challenged. Justification clock ticks on idle property.

Should a Guild exaggerates how "socially incomplete" its work is (e.g., overstates educational, health, or ecological value): open participation, consumer feedback, and local voting can moderate it. VXM could set ceiling caps or require external metrics (social impact audits). It can also be the case that a third party might need to step in (government arbitrator, etc.).

Should nodes in the VXM network collude to validate fake data or delay decay: each node cross-verifies using a block-chain technology. There are weighted reputation system for nodes: those who validate false claims lose legitimacy. Central VXM has protocol for forking away from compromised nodes.

Should there a malicious actors create hundreds of fake guilds to game validation or overwhelm the system: Guild creation requires real PIES backing and Local approval. There's a Sybil resistance mechanisms (like Proof-of-Work or Proof-of-PIES). Locals filter and gatekeep before Guilds can enter the market. Guilds without local anchors don't pass the VXM gate.

Should there an Algorithm Gaming; Guilds figure out how to optimize around VXM's decay algorithms to maximize return while still hoarding or faking data: VXM algorithm is open source but dynamic—updated via consensus. Patterns of value decay / inflation detected and addressed in protocol updates. Guilds that game decay too precisely might be flagged for "unnatural symmetry."

PROPERTY AND OWNERSHIP

It should be the case that any property and ownership of lands, buildings, means of production, and all which is affecting the economy, should have its justification of ownership be contingent upon external valuation, and not be absolute upon itself. There are no absolute property for the State, Proletariat, or Company all together: all form of ownership should reflect external justification of VXM. Should there any idle property that limits economic activities, there's a leveled tax that being imposed upon to the actor, which then:

1. Making hoarding less profitable in each cycle;
2. Making their unbacked profit decays in each cycle.

Any ownership belongs to those who were able to use the resources efficiently, that results in real surplus of PIES.

Property should become a theft when their justification become self-referential, and that the profit comes from speculation rather than actual contribution proportionate to the space/resources it took. Else, any idle ownership upon the

earth that has potency of real Profit in proportion to the Earth pillar itself, would then found its ownership status decaying.

BANKS

Banks can only serve 2 purposes:

1. To give loans based on available real investment on PIES, either through certification to the Issuer or VXM recommending the creation of new moeny for a PIES-related project (eg. New solar farm, etc.) and not its own, or that the bank lends their own money through their own PIES assets;
2. Provide a space for saving through reinvestment of capital to prevent decays.

There can't be an interest or profit made by speculation; all profit should reflect real surplus in PIES.

The third party then (State, VXM, etc), cannot be just another self-referential system but must provide a means for this contingent process to occur within an ownership. For example, the state became a mediator between the company and stakeholders, including the workers. If such and such an arrangement is found to be contradictory or oppressive in any way or form, then rearrangement must occur. this can only exist if all parties that is related, not just one party, sublimed their contradictory motives through a social contract, in which it can be refined if there's found to be a contradiction.

THE FREE ECONOMY EXPERIMENT OF WOERGL (1932-1933)[1]

During the economically desolate times of the thirties in the last century Wörgls, Mayor Michael Unterguggenberger created an emergency program which resulted in a regional "Economic Miracle". He used free money in accordance with Silvio Gesell's theory. This regional currency was the first sovereign, democratically legitimized citizen's money. Its sucess was the rapid circulation and the ability to use it to pay taxes and convert it into national currency.

During the 13.5 months of the currency experiment, around 100 people were employed, some directly through the construction programs and some in supplier companies. The number of unemployed fell by 16% in Wörgl, while in Austria it rose by 19%. In order to avoid buying the stamps to compensate for the shrinkage, the AB notes are passed on quickly and circulate 9 to 10 times faster than the national currency, the shilling.

The economic situation

[1] 'The Free Economy Experiment of Woergl (1932-1933) – Unterguggenberger Institut' <https://unterguggenberger.org/the-free-economy-experiment-of-woergl-1932-1933/> [accessed 7 June 2025].

The Great Depression, which started in 1929, and the change from the use of coal in railroad trains to electrification, caused problems in the Woergl economy at the beginning of the thirties. The heating plant was closed in 1930 and hundreds of railway workers were forced to move to other areas.

In 1931 the largest business in the community, the cellulose factory, was also closed and several hundred of workers lost their jobs. The core of the community was faced with 400 jobless people, among them 200 without any tax benefits. The unemployed now depended on charity. In the larger region there were 1500 jobless people their number increasing every day. The community was no longer able to meet its obligations, e.g. road repair. It could no longer pay the interest of a debt of S 1.3 millions. The only source of income was back taxes of the population, which, however, could not be collected in these dismal times. More and more workers families depended on their meagre savings. A growing number of people tax benefits had to apply for aid.

The entire economic situation was shaped by deflation: the merchandise went down in value, money increased its value and was horded. If purchases were not really necessary they were postponed – the logical result : falling prices. Consequently money was lacking in the economic circulation. The amount of money still based on gold reserves, began to shrink. It was now in short supply.

This was the background for Michaels emergency aid program, which was unanimously accepted by the municipal council on 8 July 1932, in spite of diverse party memberships and unbridgeable differences of ideologies.

Emergency Aid Program

On 5 July 1932 Mayor Michael Unterguggenberger introduced his program during a crucial meeting of the Public Welfare Committee: “Slow money circulation is the main reason for the current economic crisis. Money as a means of exchange slips from the hands of the working population. It ends up in the interest canals and in the hands of a small minority who is not interested in introducing it to the market, but much rather retains it as means for speculation. Since money is an indispensable wheel in the production machine, the accumulation of large sums in the hands of a few is an enormous danger for an uninterrupted production. Each money stoppage results in the stoppage of merchandise and therewith unemployment. Uncertainty on the money market leads to anxiety of those who are holding the money; he/she therefore no longer spends it and distrusts investments. The circulation slows down, the entire turnover of merchandise and output shrinks as the living space of the population within the economic system dwindles. Should this continue like in the present state, there will be not enough bread to feed a nation. Peace and prosperity will be destroyed. Entire populations and states will face ruin. Since we cannot save the world from our vantage point, at least we want to propose some solutions.

In the Woergl region the lazy and slow money circulation of the National Bank must be substituted by a currency medium, complying better with its destination as

barter medium than ordinary money. Work certificates will be issued in three face values and put into circulation. The community is going to do it , and the private sector has to be won over to purchase the work certificates at face value and use them to make as many payments as possible. In order to increase the economic life in our community we must also prepare a plan to carry out and pay public works.”

The Value Coupon

These coupons with a value of S 1, S 5 and S 10 were functioning according to the principle of free money: fast circulation was secured through a monthly depreciation of 1 % of the face value by means of affixing stamps.

In July 1932 the community distributed for the first time 1600 Shillings in the form of value coupons among the workers. They desperately needed them for consumption, the business owners paid their tax debts to the community and the circulation was completed within a short period of time, the barter medium back to the community money-chest.

During the 13 months of the experiment, coupons poured into the community money chest twice a week. One-shilling dwindling money paid an average of S 104 taxes annually. The coupons were valid within the town, but were also accepted as means of payment in the outlying areas during the run of the experiment. At any given time they could by exchanged at the Raiffeisenbank for cash, because the community had deposited shillings there at the cash value of the coupons. However, for each transaction 2 % were deducted for the “provision of work contribution”.

Crucial for the economically invigorating effect of the experiment was not the amount of money spent, but rather the quick circulation of the coupons. An additional income came from the bank , which was providing loans from the community deposits at arate of 6 % to wholesalers. The community cashed the interest, the bank dispensed with the consideration.

The Building Program

The first building project was started on 11 July 1932. It enclosed the canalisation of Jahnstrasse and Brixentaler Strasse, roadside construction on both parts of the Bahnhofstrasse and Schachtnerstrasse, and asphalting these streets with the exception of the Brixentaler Strasse and Schachtnerstrasse. The work was completed on 29 October 1932 at a cost of S 31222.42. The second building project included the asphalting of the Brixentaler Strasse and Schachtnerstrasse, the shaping of the Premstrasse as well as the production of pipes and border stones at the warehouse.

The Premstrasse and entrance to the intermediate school was asphalted, various road and street constructions outside Woergl were carried out, the municipal building and the elementary school were canalised, streets and roads within the town repaired for around S 9000. 500 work shifts were needed for the construction

of a new skijump; the community set up a soup kitchen, laundry facility and blockhouse. The reconstruction of the Bahnhofstrasse and street lighting were also undertaken by the emergency aid drive. Salaries amounted to S 12197.13 and were paid in value coupons, as Hans Burgstaller describes in his brochure “The Rescue of Austria-The Woergl Example”.

The emergency aid constructions in 1933 were created as infrastructure facilities for tourism, and the Muellner-Bridge at the entrance of the Woergl ravine was newly constructed . A new road between the ski-jump to the Eissteingipfel (2 km) was laid out and a 3489 m long Jaegersteig-sledding road with 595 stairs. The road to the Lechner Waterfalls was partially reconstructed and detonations and bridge constructions were needed to create a 1,2 km long path in the inaccessible Auchbachklamm. 120 benches were set up along these roads. This type of construction provided work for an average of 50 to 60 jobless men in addition to 30 to 40 men in the supply business. While the jobless rate increased continuously in Austria during this time, it decreased in Woergl by one fourth of it. In the long run the investment plans for the future did not succeed. This had to be blamed on the 1000-Mark shutting, enforced by the NS-regime in Germany, to which the budding tourism in Austria almost succumbed.

Opposition of The State Government

The Austrian National Bank AG was the indictor. Hans Burgstaller asked in his brochure of May 1933, “The Rescue of Austria – the Woergl Example”: “What does the National Bank fear about the nonprofit emergency aid action of the Woergl community?“

The battle started on 22 July 1932, just a few days after the resolution of the emergency aid action. The National Bank was upset by newspaper reports and asked the Tyrol Government to do something about the resolution, in which it saw a violation of their bank note privilege.

Woergl denied this. “We make cashless payments“, they argued. Michael Unterguggenberger with a delegation pro Experiment, among them the president of the Chamber of Commerce, Peter Westen, visited Minister Rintelen in Vienna and were received in a positive way. The local government of Kufstein – at the beginning also in favour of the program – was forced by the State government to prohibit the distribution of value coupons in january 1933. The municipal council appealed to the local government in Kufstein.

One cannot talk about violation of the bank note privilege, since the coupons were limited to a circle of people voluntarily involved with the emergency aid. The appeal was turned down on 22 February 1933. On 7 March the municipal council decided to appeal to the Administrative Court of Justice, supported by legal aid and in the meantime continued its program. In spite of the prohibition, which was even strengthened by the local government in Kufstein: the Administrative Court of Justice complaint did not allow for a postponing effect. Michael Unterguggenberger travelled three times to Vienna to defend the Woergl Self-help initiative.

Finally not even an intervention at the Chancellor’ s office was successful. Mayors from all over the country sent a petition to the government in order to legalize free money. The Council of Ministers discussed pros and cons. Apart from one clear opponent, no one in the Council of Ministers was really against the Wörgler free money, only Finance Minister Buresch. He had negotiated a government loan with the League of Nations and therefore pushed for the ban on free money.

On 15 September 1933 the value coupons had to be withdrawn. The administrative Court of Justice confirmed the final decision on 18 November 1933.

A Worldwide Echo

The economically invigorating effect of the Woergl Emergency Aid Action was no longer obscure. On 12 January 1933 the neighbouring town of Kirchbichl decided to introduce value coupons. As a result they started building the public swimming pool. Kitzbuehel also introduced the dwindling money, in Brixen and Westendorf the decision was pending on the outcome of the court proceeding. “Consent and enthusiasm was the response to Pastor Schlechter’ s (of Westendorf) explanations”, writes Hans Burgstaller in 1933. “Even if it seemed ridiculous that the small Tyrol stood up to the power of Napoleon, the spark from Tyrol was sufficient to start a major fire in the rest of Europe, thereby destroying an invincible power. We’ re no longer dealing with Napoleon today, but the power we’ re out to destroy is mightier than Napoleon, it’ s the international high finance.”

In June 1933, around 200 Austrian communities like Wörgl wanted to issue regionally valid Schwundgeld to combat the economic crisis. Newspapers everywhere printed articles, which caused great international interest. Economists and politicians came personally to see the results. Among them Hans Chorssen, employee of the finance theoretician from the United States of America Prof. Irving Fischer, who appreciated Gesell’ s concept as an “ingenious idea” and wanted to use it to fight the Depression in America. Many American towns and communities produced Woergl-style token money, „stamp scipts“. However, the shrinkage was exaggerated -at a rate of 2 % per week the money was not accepted.

The Ex-Minister President of France Edouard Daladier spent the summer of 1934 in Woergl and was enthusiastic: “This money really brought results … . The people have explained to me that they prefer this kind of money over a gold craze and obsolete ideas.” The great Paris journal “Illustration” published a report in September 1933 about the Woergl Experiment, more articles in other journals followed. In the same year the French, open-minded by being familiar with the Theses of Proudhons, established a roof association for exchange societies. They established themselves all over the country. In 1935 the Ministry of the Interior put an end to it.

CLOSING

I've betrayed state socialism to achieve communism through capitalism; the real capitalism, in which the power of monetary system, belongs not to the public sector or to be regulated by them and protected by; but by building a real economic entities, the Value Exchange Market that calculate the real aggregate production of the capitalists, their Production, Infrastructure, Energy, and Social value (PIES). The ledger of Social Values remains incomplete, so that there is a democracy inside the valuation, and to harmonize all of the variables via open-source, Blockchain and AI technology, through decentralized nodes of VXM.

For me, on the Class Struggle, a class is defined by what means does a subject or group had make their ways into social ladder. if it through honest labour in which it produces things, they are 'worker'. if it fictive, then they are bourgeoise.

It is not only limited between who 'owns' things, but by what means do they 'own' things. Thus, it is contextual. Worker can own multi-national farm that actually produces real value, but their value is made redundant by upper class, in which it then monopolises them in the first place, because valuation system allows them to be.

Limitation

I imagine that even if, there's a technological boundaries, it can be managed, but it is remains underdevelop. For example, Local can use PIES via note-based stamps, until local can no longer able to calculate bigger number because of heightening economic activity; thus necessity of higher calculation abilities in a local, would implies that the economic activity in said improvised region is developing, thus, this Economic system, were able to be implemented both locally, and globally, regardless of technological barriers.

My Hope

This economy, would cut the middleman between the private capitalists and abolish the oppression from the public sector that often enforces itself in the name of 'free market', as it is with Socialism, in the name of 'Communism'.

However, it should be reminded that this system still are incomplete, in a way that, it is very much in develiplent. It is theoretically possible to implement it at national scale; but it then require much of improvement on the system. PIES system, is all on its best and weakness, is inherently incomplete; but it is theoretically possible to create an economy where value are bounded by material constraint and are able to decay.

I invite all the worldbuilders to imagine a new form of valuation system, in which it:

1. Prevents speculative trading, interest, and fictitious value;
2. Abolish artificial scarcity;
3. Incetivizes real production;
4. Rewards innovation, especially on the Energy and Infrastructure sector;

5. Keep the Social Incompleteness Intact; and they are NOT absolute; Designed for contingency and non-absolute;
6. Scalable in Local to International region; preferably decentralized.

In the meantime, I would try to make a further research to explore this new economic system through Gesell, Proudhon, Lietaer, Fisher, etc. My limitation is that I haven't got any experience in designing an economic system; although, I would be interested in exploring this further, Insyaallah.

COMMUNISM THROUGH THE MARKET
CYCLE OF COMMODITY—TURNED-RIGHT

To Answer any advocate for gift economies or other economic alternatives, The reason why I choose NOT to abolish money:

1. Money still gives an agency and can be used to rewards productivity
2. Money can be redirected, designable, and can be made accountable. We can tie them into productivity and it can still become better and more pragmatic than its alternatives.
3. The alternatives is far more opaque, thus preventing a greater coordination;
4. It still allows for profit. Yes, it is unbacked, but Unbacked profit would decay Unless reinvested; so either way, it incentivizes growth and is far more acceptable to the Commons rather than opaque alternatives that risk making this system seem authoritarian like rations or things.

The prediction thus follows: As the demands lagged behind the production quota, because the incentives of making new values also implies the innovation of new way to produce, production thus became abundant. Inflation then— means abundance of production, which then regulated back into subsidiaries, and making basic necessities a right via subsidization. It is only then, the potential of true exploration of the commodities can be made through, as the positive cycle keep up; exploration of new commodities > abundance > subsidization > new exploration....

Overproduction then, doesn't mean inflation that harms, but a signal of universalization of certain products that far exceeded their production from the demands. Only the excess money, the unbacked money that is cut off from the Real variable, thus excess and idle money are the one that decays. since there is an incentives to invest, non-material activity such as art, parenting, and all, can be seen as profitable in this sense, and are even made to be subsidized. Just think of it like a stimulation that making the system evolve to its higher stage so that it can first handles the basic necessities, and then comes subsidization upon another subsidization as the rewards come. in fact, the Social Incompleteness design allows for such evolution to happen. another thing about VXM, is that they are decentralized and local; they were made to cross check each other, and each local can demand one's ledger via social incompleteness itself.

The whole design of PIES system is contingent; it thrives in critique and then evolves better. Contingency also allows federated economic system to ease the development of local's material progress through other systems; one's subsidization means more opportunity for the whole local to subsidize said commodities, allowing the whole to develop easier. Besides; if then we tie money to actual production, we may even have the opportunity to develop another economic system that is better along the way, maybe gift economies and all. It's not gonna be an absolute, that's the whole point of this design; but it's the most pragmatic alternatives thinkable. Even if, there's a technological boundaries, it can be managed. Local can use PIES via note-based stamps with no technology, until local can no longer able to calculate bigger number because of heightening economic activity; thus necessity of higher calculation abilities in a local, would implies that the economic activity in said improvised region is developing, thus, this Economic system, were able to be implemented both locally, and globally, regardless of technological barriers.

The durability of such design would be that, even, or to be exact, precisely on time of crisis, the incentives of production would surges up, as value only derived from real activities of production; contrary to mainstream capitalism where, in case of war or crisis, the production are strangled because of the money that over exceeded the available products.

Let me emphasize this: it is only through the emancipation of Private Capitalists and Small Workers, rather than public entities and top-down governance, in contrast with State Socialism or Neoliberal Capitalism, that true potential of Free Market can be unleashed and withering of the state may become a possibility through the cycle of Commodity-turned-right. Therefore, it is imperative for those who seeks revolution of economics system, to unleash the shackle in which the Workers and Private Capitalists, the producers, had always been conditioned from. Thus, true emancipation of the worker and real producer does not belong to the goodwill of the Public, Socialism, or Neoliberal Capitalism, but through the liberation of workers and private entities themselves. Communism would be achieved when both real productive ability and coordination through free market is able to keep it up.

It is not through the sublimation, thus oppression of the totality, or higher, human order that an absolute may be reached, but through perpetual struggles towards asymptotic harmonization without the illusion of the absolutists. It is through fracture itself that the universal may be reached, and thus, through perpetual Dialectics of the market, the people shall reap their benefits from themselves. Let the right to question never be closed, and let the debate of what is actually matters for us never be finished. For Reality has never has been given as harmonious entity in which it conform to our imagination, but that which always put us in awe in its complexity and contradiction between our own conception of it.

Let us then, take back the power to write fiction back unto the workers and to producers themselves, creating our own reality, so that we can reach Communism through the Market.

Workers of the world, seize the means of valuation and take back the power to write fiction on your own!

UPDATE REVISION:

bellow is my unfinished notes and update I wish to improve upon my readings on Marx, Lacan, Gesell, S. Beer, Ostorm, and all. It is a personal rant.

why don't we make PIES a backing but each locals can issue their own money? so each local has their own currency, yet they are all tied to PIES that has been accounted. So each currency's value represent the amount of PIES each local has; the national money, ofc, PIES itself. So each local strive to make their currency goes higher in their own PIES; whether by issuing more money or not, but the value behind is still PIES. So one way to increase their value, is investing in real material instead. So we keep counting aggregate PIES from locals to central VXM, issuing value from there; yet giving autonomy to locals. When we want to make an inter-payment, use PIES instead.

So decaying or appreciating value can be managed in the background, tied to real PIES, while keeping each locals do what their want. Money were issued by banks (whether local banks or private banks, or whoever the locals wants it to be); but they are tied to VXM nonetheless, and are required to recognized by VXM. VXM only accounts for PIES, while the one's issuing money can be whoever each local wants it to be. We can use ostorm to define the boundaries and all; yet they are all still tied to each their PIES reserves. These local currencies however, because still tied to PIES, the amount of depreciation rates gets faster/slower whether they exceeding the PIES or not; or that each locals can issue their own demurrage to reflect the PIES itself to make it more adaptable. This backing system can also allows if, banks or local money issuer were corrupt or goes bankrupt; the VXM then issue money based on Real PIES from the default. so the design principles for VXM (its adaptability and digital log for future contingencies) also implemented to the issuer.

this can also exists in beside national currency too; VXM is just a protocol counting PIES, and whoever issue money based on that, their money would reflect current amount of material growth without explicitly against national currency (while slowly undermining them quietly).

my biggest weakness is that im not a mathematician and programmers; so i can only envision it for now at least philosophically and systematically. For a rough simulation, VXM can maybe just calculate material output of a region (there's already tools like that at least, from report or etc), and then try defer values from material output and their current market value as default; making their value a default PIES formula that can be used to issue local money. To make them persuasive enough, make PIES transmutable to other existing and circulating currencies (Rupiah or dollar), but since PIES are stable and others are unreliable because of inflation, it is the PIES that naturally become better while the transmutability from PIES to other currencies would become higher and higher, attracting more users; PIES value would become more and more higher than its counterpart, since its got a new gold standard. Another idea for the

transmutability is that a new user doesn't have to start at 0, but their money is transmutable from the start, plus their working hours and all, if they ever want to audit their material output to VXM. The more they use that PIES-backed local currency, the more it would grow. Since the money would decay nonetheless, why should they spend it on something?

To prevent cooptation, rural area can be used for experiment. Papua or kalimantan for example; or africa to bypass CFA, by issuing local currency backed by PIES. PIES is a new dynamic gold standard after all; only calculating material output that has locally approven via social incompleteness.

But for Social Incompleteness and how would locals participate and etc would require much rigorous design. Another problem is 2ways transmutability; Other currencies can buy PIES, but it's unclear if others allows their currency to be bought with PIES. If, however, a farm or producers signed into PIES, and since PIES actually calculates their product outputs in real time, one way to transmute PIES into other currency would be selling out the output to other currency. This is assuming we got a trustable mediators that would protect the products from devaluation caused by artificial scarcity.

as meaning is deferred, so does value; but language also evolves in accordance to what it reflects, so should any system of valuation. since there's a real, the real of Value means its external, real progress. If we take any surplus/progress means material, then the role of valuation is to reflect the progress or aggregate amount of positive material, economic surplus; so system of valutaion, naturally, should reflect real, material, positive economic surplus and not betraying its purposes by refer to itself and are detached from any structural coupling. and since real, economic surplus is inherently incomplete and cannot be put into a single system, there's should be a feedback mechanism that's unbound in itself, partially.

Before, Gold can be used; it reflect true labour, universal enough, and are recognized as a form of progress. But if progress now means building something, then value should naturally reflect those instead.

the proposition is quite simple..

anyone can start VXM and then ties their currency to VXM or not; the benefit are, if you do, you gain interoperability and stronger money reference comparable (or better) to gold standard.

so liquidity can be made mainly on one form: you buy a real thing with it; since PIES equals to aggregate amount of Real production. And from there, you can either buy other currency with it, or reapply it into another VXM, in which ofc the product can decay because it is material product; or you can consume them

outright. Every transaction in pIES, is already a proof of liquidity in itself; and if you're lucky, if PIES backing your currency is grow strong enough, you might even got a surplus in liquidity.

because each federated issuers tied by PIES, they can make an aggreement or some sort, to make a stimulus on market using Keynesian economics or MMT; anyone can use their currency however they like, but it is still tied to PIES as referent. In this case, the growth or proof of economic growth can be transparently observed synchronically, making each theory more transparent in their application. The last lender is last available PIES-backed VXM, the original.

But for the sake of default templates; VXM can calculate hitherto real PIE output, and assigning their values to current market price at circulation; in which it can be remodify if locals slowly had grasped its mechanism.

For the demurrage rates: the amount of money in circulation are divided by available PIES. This calculation can be modified higher than its default amount (money in circulation/PIES) by local issuers, and cannot be made lower than its decaying rates. That is, to prevent hoarding, incentivize spending and real investment, and to prevent speculation.

For interoperability, there would be a central VXM that issue PIES currency as an official and neutral currency.

Central VXM, gets its data from aggregation of all calculated PIES from each local nodes, that then harmonizes prices, averaging them; and thus, trade between 2 locals can use PIES currency instead. So there's a competing currency that has less or more liquidity in reference to PIES, that would incentivize each locals to develop.

Local VXM, can also be the lender of last resort, a neutral entity that derives value only from aggregate PIES and issue currency when local issuer were bankrupt or corrupt, to kick back economic regeneration of each locals

How do we reward regenerative delays?

Estimation of how would the tree grows back, then divide how long it would takes from current regeneration process. the rewards then comes at leveled process; the more time follows as regeneration occurs, percentage of profits heightened PIES, as long as party that guards the regeneration process remains. If the regeneration process are disrupted, so does the PIES accumulation.

How do we quantify complex social outputs (art, healing, care)? This would be hard, as each sectors requires different valuation system. For now on though, i can only imagine it as an investment as an alternatives to saving that would decays one's money

Can we introduce decay resistance for cooperative entities over private ones? That would be up to each issuers; VXM can only reflects PIES.

How to prevent elite coopting of guild structures over time? VXM and Local Issuers are different entities. But if we take this question as local issue, then each to their own standard; and VXM would be their mirror of development, which locals can use to make another issuance that differs from the guild. Rotating supervisor should at least address these in the mean time. If it VXM, it should be the case that they are transparent, decentralized, and cross-referencing each other. Each VXM are incomplete; each local VXM can be forked and analyzed by other nodes. the most stable VXM nodes would become a template VXM, and the corrupt ones are metabolized for future contingencies.

we're not trying to map everything here: we try to find first golden rule with stable foundation so that the process would follows.

the biggest strength of this system is: that it requires a currency to be pegged by PIES. a real material production. Gaming then, can be more easily detected as it is material. The next problem would be cartelization and monopoly; but since VXM is just a neutral ledger, any party then can issue their own currency in response to corrupt issuers. Hoarding from cartel/monopoly, would become unattractive scheme since now, people themselves are the one who are working, not the speculators. If one's wish to control, then they must produce. But since high production requires mass mobilization, it would naturally empowers the worker instead

22/7/2025

price valuation from PIES local; for the aggregated material it can be done; the thing then is how we price it. there's 2 approach, that is planned economy and free economy. If we can't take up our mind; then the agregated PIES should reflect 2 things (or include 2 valuation method). One is a real time aggregation through static valuation that changes in epoch (on year 1 crops is 1 PIES, year 2 crops is .5 PIES); or that we can periodically audit the real time price of things in each necessary epoch. This would gives each an experimental data also so that each ledger in locals can simulate their own economy.

This audit also serves to verify whether the reported amount is valid or not.

or how about we calculate a production/local population (eg. aggregate rice or electronic parts per population) to simulate prices via supply/demand?

or why don't we make a partnership program? a pool of consumer (each person) from each sector/unit (grain, sorgum, electronic parts, building material) are automatically report their transaction on each agreed sector to the computer via each of their phone (electronic transaction) to reflect real time prices?

how about it?

21/08/2025

Local-first PIES makes sanctions **harder**, but not impossible. You remove a lot of leverage (SWIFT, FX choke points, Wall-St. credit), yet an external actor can still hit you through **physical**, **informational**, and **legal** choke points. The trick is to design the network to **degrade gracefully** under pressure and recover fast.

Where sanctions could still bite

- **Energy & inputs:** fuel, critical spare parts, fertilizers, chips, medicines.
- **Logistics:** ports, airspace, insurance for shipping, cloud/CDN for your apps.
- **Comms:** national ISPs, backbone transit, app-store bans, cert authorities.
- **Finance edges:** fiat on/off-ramps, stablecoin blacklists, payment processors.
- **Legal/people:** export controls, visa bans, threats to core devs/validators, compliance takedowns.
- **Info ops:** narrative warfare to delegitimize your governance ("rigged oracles," "fake numbers"), chilling local participation.

Sanction-proofing playbook (PIES-aware)

P — Production

- Redundancy over efficiency: 2–3 suppliers per critical input; cultivate repair/remanufacture guilds.
- Open designs & generic parts; local tool libraries; right-to-repair norms.
- Buffer stocks sized by *replenishment time*, not by cost (90-day target for essentials).

I — Infrastructure

- Build for **islanding**: microgrids, local water loops, offline transit ticketing.
- Cloud independence: self-hosted mirrors; inter-city data barter (sneakernet if needed).
- Pre-issued credentials: local PKI so services survive CA revocations.

E — Energy

- Diversify: solar + biogas + micro-hydro + storage; prioritize processes that can run intermittently.
- Electrify what you can; keep minimal diesel reserve for truly irreplaceable tasks.
- Community demand response (price-free quotas in emergencies).

S — Social incompleteness (governance)

- **Constitutional irritants:** protected minority vetoes, red-team budgets, sunset clauses.
- Multi-oracle valuations (co-ops, unions, civic auditors) with threshold approval.
- Civic mutuals: food/health/credit unions that can pivot to rationing *without* collapsing.

Money & ledger layer

- **Local currency + mutual credit** as fallback.
- Demurrage that auto-tunes with supply *but* caps decay under duress to avoid panic.
- Offline modes: mesh/LoRa/QR "IOU clearing" with later reconciliation; rotating, threshold-signed keys.
- Privacy by default (UTXO rotation, blinded notes) to resist blacklists; legal cash lanes for essentials.

Network topology

- Federation > monoculture: many small ledgers with **interchange protocols**, not one big chain.
- Graceful partitioning: keep trading inside the island; reconcile when links return.
- Don't centralize validators/devs; rotate roles, practice "key ceremonies," document recovery drills.

Likely failure modes (design against these)

- **Oracle capture/gaming:** inflation of P/I/E, politicized "S" weights. → Use multi-source oracles, random audits, whistleblower bounties.
- **Liquidity crunch:** if decay is too steep under shock. → Temporary demurrage floor + emergency credit lines via mutuals.
- **Black-market re-dollarization:** if local unit is inconvenient. → Make local payments *easier* and fees lower; tax in local unit; settle utilities only in local.
- **Talent choke:** travel/remote service bans. → Cross-train locals; mirror knowledge bases; offline curricula.
- **Supply shocks:** single-point imports. → Pre-qualify substitutes; stockpile catalysts/meds with careful rotation.

"Sanction resilience" checklist (quick hits)

- ☐ Two-week offline ops drill for markets, clinics, and transit.
- ☐ 90-day essentials buffer (food, meds, fuel, key spares).
- ☐ Mesh network + offline ledger clients + periodic reconciliation.
- ☐ Multi-oracle PIES board with independent budgets and public logs.
- ☐ Legal wrappers (co-ops/commons trusts) to shield assets and people.
- ☐ Community repair & fabrication capacity (CNC, 3D print, machine shop).
- ☐ Emergency demurrage rules + mutual credit expansion charter.
- ☐ Annual red-team "sanction simulation" with published after-action fixes.

Bottom line: a purely local PIES web shrinks sanction leverage dramatically, but doesn't make you invisible. Aim for **federated autonomy**: local currencies and value oracles that can run cut-off, plus protocols to re-sync when links reopen. Design for interruption, not for perfection.

24/08/2025

W. Ross Ashby formulated the **Law of Requisite Variety**: *only variety can absorb variety*. In other words, a regulatory system must be at least as complex as the environment it regulates; otherwise, it will collapse under pressures it cannot match.

This law, when read against the history of economic systems, reveals a striking pattern of failure:

- **Capitalism** generates enormous variety in production (new commodities, services, technologies), but forces all of it through a uniform, speculative valuation regime: money as universal equivalent, dominated by finance. The mismatch is inevitable: when production's complexity outruns financial abstraction, crises erupt.
- **State socialism** in its 20th-century form inverts the imbalance: a rigid valuation system (state fiat, planned prices) tries to command a far more complex production environment. The result is equally predictable: shortages, black markets, and systemic brittleness.

Both collapse for the same cybernetic reason: **valuation does not carry the same variety as production.**

PIES + VXM resolves this contradiction by embedding Ashby's law into its very structure. Production and valuation co-evolve, each mirroring the other's variety:

- Each locality issues its own **PIES-backed currency**, tied to its material outputs and infrastructures. Valuation thus multiplies in variety alongside production.
- Federation through **VXM** ensures interoperability, not uniformity. Difference is preserved, but communication is possible.
- **Demurrage and regenerative delay** ensure that valuation decays or renews in rhythm with ecological and infrastructural cycles, preventing financial accumulation from outpacing material reality.

The effect is a **cybernetic equilibrium**: production's richness is matched by valuation's richness. No single node, currency, or abstract center is forced to absorb all complexity. Instead, variety is distributed — crises are routed around, and alienation is rendered transparent rather than mystified.

Where capitalism and state socialism both failed Ashby's test, PIES at last passes it. The system is not only economic but **cybernetic**: a living mechanism of resilience, balancing openness and constraint, multiplicity and federation.

so instead all of productive sector gives so much noise, in which in turns receives unequal feedback from valuation sector, and this going on and on until only a few from production is actually being attenuated properly by valuation sector, thus externality and absurd artificial scarcity bcs the valuation needs to propagate itself.

this then makes both system perturbed; production sector keeping its homeostatis of producing because of unclear signal from valuation sector that is perturbing

the system, and the valuation sector doesn't receive necessary feedback of equal variety for their growth, thus bubble crash and all.

so market doesn't 'self-correct'; it is just a result of systemic crash that makes progress into square one. first it is appropriate system of production and valuation, then valuation got divorced, then absurd valuation, the production can't handle, the system crash, and the cycle start again.

Neoliberals just hope that eventually this..cycle would brings us somewhere.

Let it be known that Property is Theft, when its value or profit doesn't reflect or contribute to real, material measure.

And let it be known that Property is freedom, when its value does reflect on its real contribution.

For coordination of PIES system, we need a transparent visibility of such valuation system. maybe by making VXM like a stock exchange but instead of stocks they reveal what each commodity is approximately valued in local and global. one's underpriced commodity bcs of overproduction actually valued more bcs of scarcity in other region and vice versa; one commodity got fully subsidized in one area and things.